

- [HB 27](#) – Tax Commission Report - Federal Tax Law Changes
- [HB 168](#) – Individual Income Tax and Corporate Franchise and Income Tax Task Force
- [HB 191](#) – Corporate Franchise and Income Tax Amendments
- [SB 144](#) – Corporations Sole Amendments

## **HB 27 Tax Commission Report - Federal Tax Law Changes**

Utah Code §59-1-213 **Effective Date May 3, 2004**

Requires the Tax Commission to annually report to the Revenue and Taxation Interim Committee on changes to the Internal Revenue Code and the potential impacts of those changes on state revenues.

## **HB 168 Individual Income Tax and Corporate Franchise and Income Tax Task Force**

Enacts Uncodified Material **Effective Date May 3, 2004**

This bill provides for a task force, including one member representing the Tax Commission, to study Utah's individual income and corporate franchise and income tax, including the following components:

1. Additions to income;
2. Subtractions from income;
3. Exemptions;
4. Tax credits;
5. Tax rates;
6. Individual income tax brackets; or
7. Other issues relating to these taxes as determined by the task force.

The task force is required to make recommendations on:

1. Whether the taxes should be replaced with a flat or consumption based tax;
2. Whether the individual income tax brackets should be increased for inflation;
3. Whether either tax should be decoupled from the federal tax; and

Whether there should be a state earned income tax credit.

### **HB 191 Corporate Franchise and Income Tax Amendments**

Utah Code §§59-7-101, 59-7-402, 59-7-106.5 **Effective Date January 1, 2004**

This bill amends the definition of “nonresident shareholder” to repeal language providing that any organization exempt under Section 501, Internal Revenue Code, is a nonresident shareholder, and repeals references to foreign sales corporations that have been repealed under federal law.

### **SB 144 Corporations Sole Amendments**

Utah Code §§16-7-5, 16-7-8, 16-7-9, 16-7-12, 16-7-14, 16-7-15, 16-7-16 **Effective Date May 3, 2004**

A "corporation sole" is a distinct and separate entity from other types of corporations. In the past, Commerce charged a \$22 filing fee for a corporation sole to file its articles of incorporation. A corporation sole is not required to file renewals on an annual basis and has no expiration date.

Effective May 3, 2004, this bill prohibits the formation of a new corporation sole. This bill also requires a corporation sole that is amending or restating its articles of incorporation, to provide a name, title, and street address of an incorporator as well as maintaining an official representative.